

REMARKS

Claim 1 has been further amended to distinguish it from the references relied on by the Examiner. Claim 15 has been amended in a manner analogous to claim 1.

Support for the amendments to claims 1 and 15 are found at least in the embodiments described on pages 5-6 of the specification.

The rejection of claims 1-7 under 35 U.S.C. 103(a) as being unpatentable over Fried (U.S. Patent No. 6,035,286) in view of the article, "Dow Dogs Will Have Their Day..."

("Dow Dogs") is respectfully traversed. Regarding claim 3 (which has been incorporated into claim 1, the Examiner states on page 5 of the Office Action:

Fried does not disclose that said predetermined relationship comprises the sum of said collected dividend yields and said collected buyback ratios, but "Dow Dogs" teaches that buying back stock has become a common substitute for paying dividends ... Hence, it would have been obvious to one of ordinary skill in the art of finance at the time of applicant's invention to have the predetermined relationship comprise the sum of dividend yields and buyback ratios, for the obvious advantage of having the predetermined criteria reflect the ratios of paid-out earnings to stock prices of the corporations in question.

This statement is respectfully traversed. Neither Fried nor Dow Dogs has any suggestion or motivation for using a sum of dividend yield and buyback ratios as claimed. There is nothing in the references to suggest that such a sum would succeed, and the combined references do not teach using the sum of dividend yield and buyback ratios as claimed. In the Response to Arguments section of the Office Action, page 13, the examiner states the essentially the same arguments apply to claim 3 as to claim 1. This statement also is respectfully traversed. Neither Fried nor Dow Dogs suggests the combining dividend yield and buyback ratio, much less a sum of dividend yield and buyback ratio. Nothing in the cited references provides any incentive or motive to use a

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sum as opposed to some other predetermined relationship between dividend yield and buyback ratio. In addition, claim 1 has been further limited to:

selecting at least some of the ranked securities having the highest magnitude of the sum of said collected dividend yields and said collected buyback ratios to form a group of selected securities.

Nothing in the references relied on by the Examiner teaches or suggests such a step. It appears that the examiner is merely using hindsight gained from the applicant's own disclosure in order to reject the claim. The applicant respectfully suggests that such a rejection is improper under MPEP § 2142. For all these reasons, amended claim 1 is allowable.

Claims 2 and 4-7 depend on claim 1 and are allowable for the same reasons as claim 1.

Regarding claim 4, the undersigned has been unable to find anything in Col. 4, lines 6-14 of Fried that teaches or suggests that criteria can consist of only the buyback ratio. As previously explained, Fried teaches selecting stocks by the combination of buyback ratio and either price/sales ratio or price/earnings ratio (Col. 3, lines 46-48). Thus, the applicant traverses the rejection of claim 4, and claim 4 is allowable.

The rejection of claim 8 under 35 U.S.C. 103(a) as being unpatentable over Fried and Dow Dogs as applied to claim 7 and further in view of Liscio and Roush is respectfully traversed. Claim 8 is dependent on claims 1 and 7 and is allowable for the same reasons as claims 1 and 7.

The rejection of claim 9 under 35 U.S.C. 103(a) as being unpatentable over Fried, Dow Dogs, Liscio and Roush as applied to claim 8 and further in view of Brown is

respectfully traversed. Claim 9 is dependent on claims 8, 7 and 1 and is allowable for the same reasons as those claims.

The rejection of claim 10 under 35 U.S.C. 103(a) as being unpatentable over Fried, Dow Dogs, Liscio and Roush as applied to claim 8 and further in view of Liberman is respectfully traversed. Claim 10 is dependent on claims 8, 7 and 1 and is allowable for the same reasons as those claims.

The rejection of claim 11 under 35 U.S.C. 103(a) as being unpatentable over Fried and Dow Dogs as applied to claim 7 and further in view of official notice is respectfully traversed. Claim 11 is dependent on claims 7 and 1 and is allowable for the same reasons as those claims.

The rejection of claim 12 under 35 U.S.C.(a) as being unpatentable over Fried and Dow Dogs as applied to claim 7 and further in view of "Van Kampen" is respectfully traversed. Claim 12 is dependent on claims 7 and 1 and is allowable for the same reasons as those claims.

The rejection of claim 13 under 35 U.S.C. 103(a) a being unpatentable over Fried and Dow Dogs as applied to claim 7 and further in view of official notice is respectfully traversed. Claim 13 is dependent on claims 7 and 1 and is allowable for the same reasons as those claims.

The rejection of claim 14 under 35 U.S.C. 103(a) as being unpatentable over Fried and Dow Dogs as applied to claim 1 and further in view of official notice is respectfully traversed. Claim 14 includes the method of claim 1 and is allowable for the same reasons as claim 1.

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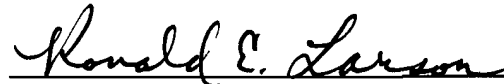
The rejection of claims 15-20 under 35 U.S.C. 103(a) as being unpatentable over Fried in view of Dow Dogs is respectfully traversed. Amended claim 15 is an apparatus claim analogous to claim 1 with respect to the grounds of rejection and is allowable for the same reasons as claim 1.

Claims 16 and 18-20 are dependent on claim 15 and are allowable for the same reasons as claim 15.

In summary, claims 1-2, 4-16 and 18-20 are in condition for allowance, and such action is respectfully requested.

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Respectfully submitted,



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